

## JOINT TRANSLATION SERVICE

## SUMMARY OF THE YUGOSLAV PRESS

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KIN IR SEN POINTS OUT THAT THE OBJECT OF THE WAR IS TO UNIFY ALL OF KOREA

Fenjang, June 27

The president of the North Korean government gave a speech over the radio, as reported by TASS, in which he gave the object of the operations of the Northern Korean troops. He pointed out that the Northern Korean government, after the attack of the Southern Korean units northward from the 38th parallel, considered the situation and immediately gave the order for its army to counter attack and defeat the enemy. The Northern Korean troops threw back the Southern Korean forces and advanced 10 to 15 kilometers south of the 38th parallel, occupying a series of cities and settlements.

Kin Ir Sen further said that the object of this war was the liquidation of the Southern Korean puppet government of Sin Man Ri and the formation of peoples committees in South Korea. The Korean people, he added, were to defend the peoples democracy of Korea and its constitution. The Northern Korean troops, who are armed with modern weapons, are carrying out a war for the unification of all of Korea. Kin Ir Sen called the inhabitants of Northern Korea to put forth all their efforts in producing war necessities and to mobilize all their forces in order to destroy the enemy.

(Tanjung-Borba-June 29)

HOSTILITIES IN KOREA CAUSE GREAT CHANGES IN WORLD STOCK MARKETS  
London, June 27

The commencement of hostilities in Korea have strongly influenced the stock exchanges throughout the world. While the value of stocks have decreased the commodity exchange noted jumps in the price of those articles which are included in the so-called strategic material and which are received from Southeastern Asia, from countries such as Malaya, Indonesia, etc. In this way the price of rubber jumped in London, Singapore and New York. The same is true of tin whose prices jumped on the stock exchange of New York and in London as well. American commodity exchanges noticed a jump in cereals, especially wheat, corn, oats and soy beans.

Yesterday at the London exchange stocks fell greatly, especially Japanese, German, British and Dutch state bonds. A similar situation was noted in the Paris stock exchange where, according to reports of the France Press agency, the worst day in a long time of stock trading was noted. Prices have also gone down in the stock exchanges at Brussels, Amsterdam, Frankfurt, Zurich and Geneva.

(Borba-June 28)

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FIGHTS ARE GOING ON AROUND SEOUL

Tokyo, June 27th.

United Press reports that fighting is going on around the capital of South Korea. The South Korean Government is still in Seoul. It is learned that the Premier of the Government, Sing-man-Ri has decided to abandon the plan of moving the Government from the South Korean capital.

According to French Press Agency the North Korean Troops have taken Seoul

Tokyo, June 27th.

The North Korean troops have entered Seoul, the main South Korean city. This was stated, as reported by the French Press Agency, by General MacArthur, Commander of American Occupation Forces in Japan. At 9:30, according to local time, the armored units of the North Korean Army penetrated into the city of Seoul.

According to latest news from Seoul, confusion reigned before the entrance of the North Korean troops in the city. The South Korean Premier of the Government called to the inhabitants to prepare themselves for street-fighting. The South Korean Government transferred its headquarters to Taken, located in the southern part of South Korea. (Tanjung)

The USA are Extending Armed Support to Korea

Washington, June 27th.

The United Press reports that President Truman has issued today an order to the air and navy forces of the USA to 'extend support and protection to the troops of the South Korean Government'.

The decision that South Korea should be extended help by American military forces from the nearby Japanese airports, was passed during the special conference held by President Truman and the high military command. (TANJUG)

North Korean Troops Surround Kimpo, near Seoul

Tokyo, June 27th.

According to news reported by foreign agencies, the North Korean troops have surrounded Kimpo near Seoul. It is considered, that after the penetration of the North Korean armored units into Seoul, the taking of the entire capital of South Korea is only the question of a few hours. One of the South Korean divisions, which was sent to stop the penetration near Uijongbu, did not succeed in finding its positions and ceded under strong artillery fire, but later - according to reports received from the FPA - it succeeded in getting back this position. The FPA also reports that the South Korean troops have again taken Keson in the vicinity of the 38th parallel. As reported, the South Korean troops are holding their positions on the other parts of the front.

The opinion prevailing regarding the reason of the defeat of the South Korean troops - before the arrival of the North Korean units in Seoul, was that it was more question of the weak moral among the soldiers than owing to the equipment of the army. One of the representatives of South Korea in the USA expressed

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One of the representatives of South Korea in the USA expressed that the American help was 'too small and that it has come 'too late', and that the South Koreans do not dispose with weapons with which they could confront the progress of the North Korean troupes.' (TANJUG)

A Military Committee of North Korea is formed

Fenjang, June 27th.

The New China Agency reports that a military committee of seven persons headed by the Premier of the Government Kim-Ir-Sen, is formed in North Korea. It is said in the statement on the formation of this military committee, that a decision has been passed according to which the entire population of North Korea 'is to be mobilized' for the annihilation of the adherents of the South Korean Government. (Tanjug)

(Borba, June 28, 1950)

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#### THE SECOND SESSION OF THE SECURITY COUNCIL

Lake Success, June 27

According to a radio announcement from the United Nations, another session of the Security Council was held yesterday evening at which the representatives of the United States and Yugoslavia, Warren Austin and Dr. Ales Bebler respectively, submitted resolutions about the actions of the Security Council concerning the outbreak of hostilities in Korea. In the American resolution it says that northern Korea has not obeyed the order of the Security Council to put an end to hostilities and demands that the Security Council request all the members of the United Nations to offer assistance to Southern Korea.

In the project of the resolution submitted by Dr. Alex Bebler, the Yugoslav delegate, he calls upon the Security Council to nominate an intermediary for conversations between northern and southern Korea.

#### THE UNITED NATIONS COMMISSION TO KOREA LEAVES SEOUL

Seoul, June 27

Agence France Press announces that the United Nations Commission to Korea left Seoul and set out for the port of Pusan at the extreme end of the country. The United States Ambassador to southern Korea and the southern Korean Ministry of Foreign Affairs have also left Seoul.

#### NOTE FROM THE USA TO THE SOVIET GOVERNMENT

Washington, June 27

The American Ambassador to Moscow, Admiral Alan Kirk, last night handed a note from the American Government to the Soviet Government in connection with the situation in Korea. In the American note it demands that the Soviet Government "use its influence to withdraw the northern Korean forces which are invading southern Korea", in order to put an end to hostilities in Korea.

In the American note it also informs the government of the USSR about the measures taken by the United States Government in connection with the outbreak of hostilities in Korea.

#### MEETING BETWEEN MALIK AND AUSTIN

Lake Success, June 27

According to the announcements of foreign agencies the American and Soviet representatives to the Security Council, Warren Austin and Jakov Malik respectively, met today in the vicinity of New York at a private luncheon organized by Trygve Lie, the Secretary General of UNO. Several other members of the Security Council were present at the meeting.

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## LATEST NEWS FROM KOREA

According to the announcement of Agence France Press the American Minister of Defense has reported that American air and sea forces are in action in southern Korea. According to the American Broadcasting Company, American naval forces are sailing in the direction of Korea, and the United Press gives the announcement of the American Command, according to which American fighters came into conflict with four northern Korean aircraft over the Seoul district and southern Korean troops have repulsed northern Korean troops from Seoul.

(BORBA 28th June)

THE SECURITY COUNCIL ACCEPTS THE AMERICAN RESOLUTION AND REJECTS THE YUGOSLAV

(Lake Success, 28th June)

At the continuation of last night's meeting the Security Council adopted the American resolution about the conflict in Korea by 7 votes against 1 (Yugoslavia). In the resolution the United States demands that the member countries of UNO should offer aid to the South Korean government. The Yugoslav draft resolution which demanded the appointment of an intermediary for conversations between Northern and Southern Korea was rejected by the Security Council by 7 votes.

At both votings the delegates of India and Egypt did not take part because they had not received the instructions of their government.

Agence France Presse announces that the Security Council, after accepting the American Draft Resolution postponed its session indefinitely. The Secretariat of the United Nations, during this time will send the text of the resolution which has been adopted to all the member countries with a demand to inform them about the measures they will take in connection with the decisions of the resolution. The Security Council will meet again when the President calls a meeting and when the situation demands it.

Northern Korean Government rejects Security Council Resolution

(Fenyang, 28th June)

According to an announcement from Radio Fenyang given by Tass, the government of Northern Korea, the Government of Northern Korea announced that the reviewing of the Korean conflict in the Security Council was illegal and the resolution of the Security Council of the 25th June about the termination of hostilities in Korea as an illegal resolution. As a reason for rejecting the resolution of the Security Council, the Government of Northern Korea stated that the resolution was passed without consulting its representatives and without the participation of the representatives of the USSR and of the people's Republic of China.

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The Soviet delegation, although invited to the session of the council on the 25th June did not come to participate in a solution of the Korean conflict.

Kuomintang Government ends attacks on the Mainland of China

(Tai Pek, 28th June)

According to the announcement of the Associated Press the Kuomintang Government, on the demand of President Truman, ordered its air and naval forces to cease fire on the Chinese mainland. Truman gave this demand so as to put the island of Formosa under the protection of the American fleet.

(BORBA)

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# ARMED CONFLICT BETWEEN NORTH AND SOUTH KOREA

## North Korean Troops take Seoul - American Air and Naval Forces are participating in the Operations

Tokyo, June 28th,

As reported by Reuter Agency, the units of the North Korean army have taken Seoul today. The South Korean Government has withdrawn to Pusan, 40 kms south of Seoul.

The North Korean radio reports from Pusan, that the units of the North Korean army have entered Seoul and occupied the town completely by 0:30 Greenwich meantime.

According to statements made by members of the crew of an American carrier-plane, which returned to the American base Itazuki in Japan - sharp fighting is going over the southern part of the Kimpo airport, northwest of Seoul, which was one of the main points of the three-day battle for the South Korean capital.

The American jet-fighters opened machine-gun and canon fire against the North Korean troops, trying to prevent their further advance.

According to information given by the FPA, the Pusan radio broadcasted that the North Korean troops had taken, after their penetration in the city, the main Government's institutions: the Presidium of the Government, the municipality, ministry of justice, radio-station, central police, banks and newspaper administrations. According to news received from the same source, all political prisoners were released. A proclamation was issued to the inhabitants, in which they are invited to proceed with their regular work.

The North Korean troops continue their attack against the South Korean units, which are slowly withdrawing themselves towards the south.

According to the news broadcasted by radio Pusan, the Premier of the Government of North Korea, Kim-ir-San has sent his congratulations to the troops who took Seoul.

## Activities of the American Armed Forces

Tokyo, June 28th.

According to news reported by the Reuter Agency, General Headquarters of General MacArthur, who is the Supreme Commander of the American Armed Forces in Japan, have informed that the units of the American Aircraft and Navy have started operating in Korea, on the territory south of 38th parallel, with the aim of extending support to the South Korean army.



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The American aircraft is participating in the bombing with medium bombers type 'Marauder' and jet-fighters of the type 'Shooting Star'. Some of the fighter planes are armed with rockets, one of the most efficient weapons against armored weapons. The bombers participated in the attacks against the armored units of the North Korean army.

It is supposed in Tokyo, that an auxiliary command to General MacArthur's Headquarters, has been established with the aim of carrying out the operations of the American armed forces in Korea. No official report has been issued as to the whereabouts of the base of American bombers, which are participating in the operations in Korea, but it is supposed that their base of operation is Itazuki, on the Japanese south island of Kiushi. Ammunition and other material for the American forces in Korea are transported by air.

In the meantime it has been reported that the American naval fighting units are in movement and that they are hurrying at a maximum speed to their determined positions. The units of the British Navy - which are at this moment more numerous in the Japanese waters than the American naval units - are in readiness in several Japanese ports.

Great Britain decides to place its Fleet in the Japanese Waters at the disposal of the USA

London, June 28th.

Great Britain has decided to place its fleet in the Japanese waters at the disposal of the USA. As reported by Reuter, this statement was made in the House of Commons, by the British Premier, Clement Attlee. Attlee said further, that the British Naval Forces in the Japanese waters correspond, by number and strength, to the USA forces in those waters. Winston Churchill, as a member of the opposition, has given his full support to this statement made by Attlee.

(TANJUC)

Truman's Order to the Aircraft and Naval Forces of USA

Washington, June 28th.

The United Press Agency reports that the United States President, Harry Truman, has issued order to the Air and Naval Forces of the United States to 'extend protection and support to the troops of the South Korean Government'.

President Truman orders that the American forces should be fortified on the Philippines and that help should be speedily extended to the Philippine Government.

Truman further said that instructions were issued that military aid to the French forces in Indo-China should be accelerated, and that a military mission should be sent there, who would establish a close contact with these forces.

President Truman has also expressed that the USA will extend assistance to the National Chinese Government on Formosa.

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He has invited Chang-kai-Shek's Government to stop with operations against the PR of China. 'The establishment of a further status on Formosa - said Truman - must await the re-establishment of security on the Pacific, the peace treaty with Japan or the discussion of this problem in the United Nations'. (Tanjung)

#### Reports on the Course of the Operations

Tokyo, June 28th.

General MacArthur, Supreme Commander of American Armed Forces in Japan, sent out this morning at dawn, bombers of the type 'Marauder' and jet-fighters to participate in the battle for Seoul, capital of South Korea. The crew of one of the bombers has destroyed 6 North Korean tanks, according to report given by Reuter. Reports have been received in Tokyo, that the fighter planes which are participating in the attacks against the North Korean forces on the entire territory south of the 38th parallel, have shot down - according to the Associated Press reports - 4 North Korean planes. The American aircraft forces, which have started operating yesterday at 7:00 by Korean time, are attacking the enemy units on the mainland by bombs, rockets and machine-guns.

#### Consequences after the Penetration in Seoul

Tokyo, June 28th.

According to news reported by Reuter Agency, the North Korean advanced-units, which took Seoul, have opened a wide breach in the South Korean defense lines along the whole front.

It is estimated, that during the penetration in the region of the river Imtsin, four South Korean divisions suffered losses and were cut off from their other units. These divisions were concentrated in this region in order to protect the access to Seoul. The North Korean have also surrounded, during their advance, two South Korean divisions, which are holding Chungson - eastern coast (90 kms north-east of Seoul).

#### Radio Seoul broadcasts Kim-ir-Sen's Proclamation

Tokyo, June 28th.

According to reports given by United Press, the Seoul Radio has broadcasted today at 2:20 p.m. the proclamation of Kim-ir-Sen, Premier of the North Korean Government, in which he speaks to the inhabitants of Seoul after the taking of the capital. It is also reported that the North Korean Minister of Justice Sou has been appointed Mayor of Seoul.

Radio Seoul also reports that a unit of North Korean troupes has landed near Posang, eastern coast, not far from the 36th parallel and that it is penetrating towards the west in the direction of the city of Taega. Its advance is helped by the guerrillas from Chongsong and Kiongsua.

(Borba, June 29, 1950)

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THE BALANCE OF THE TWO-YEAR ANTI-YUGOSLAV COUNTER-REVOLUTIONARY EFFORTS

(Borba publishes an article by Nikola Vujanovic, in which it gives a review of all the anti-Yugoslav attacks committed during the last two years and since the publication of the Cominform Resolution).

The author states that 'most probably the river of praise will start flowing soon again from the pen of the propagandists who are sitting in the Soviet Council and countries subjected to it, they will begin writing on the 'wise' leadership' of the leading country in socialism', expressions of gratitude will be made in favor of the 'salutary' Cominform Resolution, the great revolutionary significance of the attacks committed against the honor and freedom of the peoples of Yugoslavia will be emphasized upon... But this will be only the feeble fury of those, whose two-year counter-revolutionary efforts have only found failure in everything'.

The author states further that, the Soviet leadership thought, that it would be capable of shattering the Yugoslav Communist Party by an 'ideologic' blitz-krieg', that it would demoralize it, and divide it from its leadership, after which it would establish a puppet leadership from a handful of mercenary carrierists. The Soviets thought that it would be enough, if the God-sent and infallible authorities should anathemize the leadership of our country, proclaim our revolutionary practice as a heresy, after which the obedient flock would fulfill automatically the orders of the saintly fathers. 'But the calculations were very weak. The Party which passed through such a revolutionary school, as ours did, showed to be stronger than anyone outside Yugoslavia could have even dreamt of... and the people have shown themselves, after four years of various phases of trials and tribulations, to be mature enough to be able to differ the truth from slanders... And instead of shattering the unity of our Party they have only succeeded in undermining the unity in their own ranks. This is illustrated by the more and more often repeated mass 'purging' which the Cominformists are undertaking in various communist parties, and by the increasing number of arrests and greater reign of terror perpetrated in the Cominform countries. But those who think that these 'purgings' can stop the procedure of the penetration of the knowledge on the counter-revolutionary plans and acts committed by the Soviet leadership and their executive organs in other countries, are well mistaken... Those who actually desire the unity of the socialist forces, must endeavor to eliminate this main source of discord and conflict; because only a revolutionary unity can move forward the development of society'.

'At the beginning, attempts were made to give to the counter-revolutionary anti-Yugoslav plot the aspect of an ideologic struggle carried out by the Cominform against a Communist Party which was going astray and to conceal by this very idea the direct role of the USSR Government. However, as time slid by and the invitations to an upheaval remained in vain, the impatience of the Soviet leaders increased more and more. The Soviet Government is becoming much more open now and the organized acts of anti-Yugoslav pressure and mixing

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into our internal affairs shows their growing impatience. The Soviet leadership and its Cominform followers have tried, until the present, all the methods of a 'cold war' against Yugoslavia....'

'According to the idea of the organizers of the counter-revolutionary anti-Yugoslav plot, by invitation to an upheaval, to strikes and sabotage, the economic blockade was to be more complete, and would force our people to plead for mercy upon their knees. It was necessary to prevent the industrialization of our country and by this very fact the building of socialism, so as to force our country to accept a subordinate position, while the 'wise leadership of the first socialist country could show to other peoples that there is no building of socialism without its 'help' and protectorate. But just the contrary happened. Our country did not receive anything free even before this, and it looked for markets where it would be capable of exchanging its goods without giving political concessions on the basis of mutual respect of national independence and on the basis of a non interference into each others internal affairs. And it found such markets. The economic blockade broke down, and our plans of industrialization and electrification are being fulfilled and even surpassed. ...By proclaiming our country as fascist, the Soviet leadership desired to outlaw it in international intercourse so as to justify its aggressive tendencies and acts against Yugoslavia.

'However, these plans failed too. The Soviet leadership had overrated its commanding power on the basis of the practice which it used until the present, while it underrated the power of sound reasoning of the people's masses and progressive people. Instead of succeeding in enfoldin Yugoslavia and its reality into an obscure veil, the contrary happened. More and more progressive people in the world desire to become acquainted and learn the truth on the conflict, to find out what is false and what is true...Today in many communist parties a more and more open revolt is felt against the policy of the Cominform leadership in satellite parties, and an increasing number of communists and other progressive people are halting the struggle for the defense of Marxism, which our Party and the people's of Yugoslavia have initiated. This is a result which the Soviet leadership had least desired and expected...

'Contrary to the satellite conceptions, which are being accepted according to directives issued by the Soviet leadership, to many leaderships of various communist parties, according to which 'no country can become free from the capitalist yoke without direct armed intervention by Soviet troops, as well as the conception that the building of socialism is not possible without the help of the Soviet Union, are denied by the example given by Yugoslavia and by the people's revolution and are illustrating all the misery and counter-revolutionary nakedness of such conceptions.'

The author ends by saying: 'The ever increasing number of progressive people in the world are beginning to think with their own heads about various events and to look at the acts and directives issued by Cominform leaders with more precaution. The greatest danger for dogmas arises at the moment when they stop being considered as irrevocable truth, when they begin being discussed, when they become scientifically analysed'...

(Borba, Jun 28, 1950)

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THE BASIC LAW ON THE MANAGEMENT OF STATE ECONOMIC ENTERPRISES  
AND HIGHER ECONOMIC ASSOCIATIONS BY WORKING COLLECTIVES

With the object of gradually realizing the management of state economic enterprises and higher economic associations by the working collectives themselves according to the socialist principle that social production be managed directly by the producers themselves:

In the object of further developing the democratic principles of the peoples self direction;

The Peoples Assembly of the Federal Peoples Republic of Yugoslavia promulgate

THE BASIC LAW ON THE MANAGEMENT OF  
STATE ECONOMIC ENTERPRISES AND HIGHER  
ECONOMIC ASSOCIATIONS BY WORKING  
COLLECTIVES.

I BASIC PRINCIPLES  
Article I

Working collectives manage factories, mines, as well as communicational, trasportational, trade, agricultural, forestry, communal and other state economic enterprises, as well as public property in the name of the social commonwealth and in the framework of the state economic plan, on the basis of the rights and duties which have been established by laws and other legal ordinances.

Working collectives realize this management through the workers councils and the management committees of the enterprises and the workers councils and the management committee of higher economic associations, in which several economic enterprises are associated.

Article 2

The workers council of an enterprise and the workers council of a higher economic association is chosen and absolved by the working collectives.

In smaller enterprises the whole working collective is the workers council.

Article 3

The workers council is chosen for one year.

The workers council as well as individual members can be recalled before the expiration of their incumbency.

Article 4

The workers council, as well as the representative of the working collective, choses and absolves the management committee and and carries out other rights which are specified by the law.

Article 5

The management committee manages the economic enterprise or the higher economic association and is responsible to the workers council and the competent state organs for its work,

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and the management committee of an enterprise is responsible to the management committee of a higher economic association.

In agreement with this responsibility the management committee operates on the basis of the law and other legal decrees, on the basis of decisions by its working council as well as by the orders and direction of competent state organs, i.e., the management committee of higher economic associations.

#### Article 6

The management committee is chosen for one year.

In a new management committee no more than one-third of the members of the management committee of the previous year can be elected.

No one can be a member of an a management committee more than two years running.

During the mandate's validity the members of the management committee do not neglect their regular duties in the enterprise.

Members of the management committee do not receive pay for their work.

#### Article 7

During the mandate's validity a member of the management committee cannot have his work contract abrogated, nor can he be transferred without his agreement.

#### Article 8

The production and the transactions of an enterprise is directed by the director of an enterprise and the work and transactions of a higher economic association are managed by the director of the association.

Until the law stipulates otherwise, and in order to guarantee proper technical management of an enterprise and a higher economic association, the director of an enterprise will be chosen by the management committee of a higher economic association or the competent state organ if the enterprise is not associated, while the director of a higher economic association will be chosen by the competent state organ.

The workers council or the management committee of an enterprise can suggest the changing of an enterprise director.

#### Article 9

The duties of a director also includes being a member of the management committee.

A director of an enterprise is responsible to the management committee of the enterprise, the management committee and the director of higher economic association as well as to the competent state organ, while the director of a higher economic association is responsible to the management committee and the competent state organ.

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## II THE WORKERS COUNCIL OF AN ENTERPRISE

### ARTICLE 10

The workers council of an enterprise consists of 15 to 120 members.

The number of members of the workers council of every enterprise is determined according to the by-laws of the enterprise and depending on the size and structure of the enterprise.

The workers council election is held at the beginning of each year. The FPRY government can specify an other time for the election of workers councils in certain branches of economy.

In enterprises which have less than 30 workers and employees, the whole working collective comprises the workers council.

### Article 11

The workers council of an enterprise is elected by a general equal and direct suffrage, by secret voting.

The right of voting in workers council elections belongs to the workers who, according to the existing regulations, have signed work contracts with the enterprise, as well as to the technical and engineering personnel and other employees of the enterprise.

### Article 12

The elections for the working council of an enterprise are carried out according to regulations, on the basis of a single candidate list for the whole enterprise.

The right to nominate candidate lists is given to the trade union organization or a specified number of workers and employees.

### Article 13

In enterprises which have over 500 workers and employees the candidate list can be nominated by one tenth of the workers and employees who have the right to vote but the number of persons nominating cannot less than five. Enterprises which have over 500 workers and employees can have their candidate list proposed by as large a number of workers and employees as is equal to the number of members to be elected in the workers council.

Certain separate sections and units of the enterprise must be represented proportionally when nominations take place.

### Article 14

The candidate list is submitted in writing and must contain the names of as many candidates as there are to be members in the workers council.

The candidate list is signed by the candidate proposers.

### Article 15

The candidate list must be announced in the enterprise at least five days before election day.

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#### Article 16

Elections for the working council are directed by the electoral commission which is chosen by the trade union organization.

Voting is done at the polls.

The electoral commission determines the electoral place and chooses the electoral committee.

#### Article 17

Voting is done with small voting papers.

On every small voting paper a list of the candidate names are written.

#### Article 18

Every voter gets as many voting papers as their are nominated candidate lists.

Every voter has the right to strike out the name of one of the proposed candidates on a candidate list and to write in the name of another candidate from the ranks of the workers and employees of the enterprise who have the right to vote.

The voting papers which contain the candidate lists for which the worker does not wish to vote, he places in a specified place in the room, which is separate, where he fills out the voting list.

The voting paper of that candidate list for which the voter votes, he folds and places in front of the voting committee in the voting box.

#### Article 19

Those candidates who have received the greatest number of votes on that candidate list for which the majority of workers and employees voted are considered as elected as members of the working council.

#### Article 20

The working council elects its president from its own membership.

The president of the working council cannot be a member of the management committee.

#### Article 21

The president of the council convenes and presides over the meeting of the workers council.

The workers council meeting is held at least once every six weeks.

The president is obliged to call a session of the workers council upon the demand of the management committee of the enterprise, the trade union organization, one-third of the members of the workers council, or the director.

#### Article 22

The decisions of the workers councils are fully valid if over half of the members are present at a meeting.

The workers council promulgates conclusions by a majority vote of the members present.



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#### Article 23

The working council of an enterprise:

Approves of the basic plans and the balance account of an enterprise;

Promulgates conclusions for the management of the enterprise and for the fulfillment of the economic plan;

Elects, absolves and changes the management committee of an enterprise of its individual members;

Passes regulations for the enterprise along with confirmation from the management committee of the higher economic associations or the competent state organ;

Discusses the reports on the work of the management committee and passes conclusions concerning the approbation of its work;

Discusses certain measures of the management committee and passes conclusions concerning them;

Divides that part of the accumulation which remains at the disposal of the enterprise or the working collective.

#### Article 24

The director and the other members of the management committee are required to attend the meetings of the workers council.

Every member of the workers council has the right to question the management committee and the director in regard to their work.

The management committee and the director are required to give answers at the meeting of the workers council.

### III. THE MANAGEMENT COMMITTEE OF AN ENTERPRISE

#### Article 25

The management committee of an enterprise has from 3 to 11 members, a director being included in this number.

The number of members of the management committee of every enterprise is determined by the by-laws of the enterprise and are determined according to the size and structure of the enterprise.

At least three-fourths of the members of the management committee must be workers who are working directly in production, i.e., in the basic economic activity of the enterprise, and the rest of the management committees members are chosen from the ranks of the technical and engineering personnel and other employees.

#### Article 26

The election of the management committee is done by the workers councils immediately upon its being formed.

The election of the management committees members is done on the basis of candidate lists and secret voting.

Together with the members of the management committee a specific number of alternates are elected as well.

One-tenth of the members of the working council have the right to propose the candidate list.

The mandate of the members of the management committee are valid up to the election of a new management committee.

The management committee and individual members can be replaced before the expiration of their incumbency.

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#### Article 27

A management committee of an enterprise:

Composes suggestions of the basic plans of the enterprise;

Passes monthly operational plans;

Takes care that the enterprise operates properly;

Composes suggestions for the internal organization of an enterprise and passes measures for the strengthening of work discipline;

Passes decisions on the appointment of employees to leading places in the enterprise;

Passes decisions in connection with objections of workers and employees on decisions of dismissal and internal distribution of jobs;

Takes measures to increase the production of an enterprise and especially to rationalize production, increase the productivity of labor, decrease production expense, improve product quality, effect savings and decrease waste;

Decides on questions of work norms in the enterprise;

Decides the proclaiming of shock-workers and rationalizers and innovators;

Takes measures for the technical edification of the workers and employees of the enterprise as well as for their proper assignment of individual jobs.

Takes care that the decrees on work relations in the enterprise are applied properly, as well as salaries, wages, the advancement of workers and employees, on work protection and social security, as well as the amelioration of the living conditions of the enterprises, workers and employees;

Takes measures to protect the proper use of public property which is managed by the enterprise and measures for the discovery, the prevention and the removal of any appearance of squandering or negligence and other forms of improper relations towards public property.

The management committee of an enterprise is responsible for the completion of the plan and the proper operation of an enterprise.

#### Article 28

The management committee chooses its president from its membership. The director cannot be the president of the management committee.

The president of the management committee presides over the meetings of the management committee and, together with the director, prepares the agenda for the meetings.

#### Article 29

The management committee of an enterprise works collectively and passes its decisions only at meetings.

The president convenes the management board meetings.

The president is called to convene a meeting of the management committee upon the request of the director and an individual management committee member.

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Article 30

The decisions of the enterprises management committee have full power if over half of its membership is present at the meeting.

Conclusions of the management committee are passed by a majority vote of the members.

Article 31

Members of the management committee, while they are busy with the affairs of the management committee, have the right of being repaid for any loss of salary.

Article 32

The management committee of an enterprise has the right and the duty to submit, to the competent state organ, its objections and remarks on the decisions, orders and directions of the management committee of the higher economic association which it does not consider in agreement with the law or which are harmful to the interests of the enterprise, but whose execution it cannot prevent until the competent state organ does not pass its decision.

Article 33

A member of an enterprise's management committee who does not agree with the conclusion of the management committee can announce his remarks to the management committee of the higher economic association or the workers council of the enterprise.

A member of the management committee can only bring forth his remarks concerning the work of the director at the management committee meeting and the workers council meeting.

Article 34

Members of the management committee are required to keep their state and official secret.

For their work in the management committee, the members are held responsible as official persons.

Article 35

In the object of studying certain questions and preparing suggestions on affairs from its sphere of action, the enterprise's management committee can form special commissions from the ranks of workers and employees of the enterprises.

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#### IV. THE DIRECTOR OF A CONCERN

##### Article 36.

The Director organises the process of work in a concern and immediately directs the carrying out of the plan and the activities of the concern, putting into practice the law and other decrees of the managing committee of the concern and the orders and directives of the responsible state organs, the managing committee and the directors of higher economic societies.

The director is immediately responsible for the carrying out of the plan, other legal decrees and orders of the responsible state authorities and sees to their application in the concern.

##### Article 37.

The Director of a concern, within the framework of the economic plan and in accordance with the conclusions of the managing committee of the concern, concludes agreements and supplies the means of production. The agreement is valid as soon as the director concludes it.

The director represents the concern before the state organs and in legal relations with individual physical and legal persons. He may empower another person to represent the concern in specific legal duties.

##### Article 38.

The director of a concern accepts workers for work and appoints officials in the concern, except those who are appointed by other means according to special decrees, and brings decisions about their working relations with the concern.

The director of a concern brings decisions about the dismissal of workers and officials, so long as this is not entrusted to other persons by decree.

Workers and officials have the right to appeal to the managing committee of a concern, which brings the final decision, against any decision concerning the dismissal or transference to other duties.

##### Article 39.

The director of a concern sees to the placing of the workers for various jobs and determines their duties.

The workers in a concern are responsible to the director for their work in the concern.

The director of a concern ensures discipline in the work and functionings of a concern.

##### Article 40.

If a director considers that a conclusion of the managing committee is contrary to the law, legal decrees, plans or orders of the responsible state organs, he is bound to inform the managing committee of a higher economic society about this without delay, or else to inform the responsible state organs, and temporarily to suspend the carrying out of this conclusion, while the managing committee of a higher economic society, or responsible state organ brings a final decision. The managing committee of a higher economic society, or a responsible state organ, is bound to bring its solution immediately, at the latest within ten days.

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The director of a concern may undertake the necessary measures for carrying out the plan and the correct working of the concern in the sphere of action of the managing committee if the managing committee has not introduced these in time. The director shall inform the managing committee of the concern about the measures undertaken at the next session.

#### W. THE WORKERS' COUNCIL, THE MANAGING COMMITTEE AND THE DIRECTOR OF HIGHER ECONOMIC ASSOCIATIONS

##### Article 41.

The workers' council of a higher economic association is chosen by the working co-operative of all the associated concerns in proportion to the number of people.

The workers' council of a higher economic association consists of between 30 and 200 members.

##### Article 42.

The managing committee of a higher economic association consists of from 5 to 15 members including the director.

At least 3/4 of the members of the managing committee must be workers who work immediately on production or on basic economic activities of the individual concerns.

##### Article 43.

The presidium of the National Assembly of the FPRY, or the presidium of the People's Assembly of a People's Republic, or a Peoples' Committee appoints the director of a higher economic association.

##### Article 44.

Decrees about the method of elections, the sphere of action and the work of workers' councils and managing committees of higher economic associations and about the position and authority of the director will be introduced by a special law.

#### VI. PROVISIONAL AND CONCLUDING ORDERS

##### Article 45

The government of the FPRY in conjunction with the governments of the republics and the CC of the League of Syndicates of Yugoslavia, will undertake measures for the elections for the workers' councils and the managing committees of concerns, to see that they are carried out immediately this law comes into force.

##### Article 46.

Further decrees about workers' councils and managing committees of concerns and higher economic associations will be introduced by special federal and republican laws and decrees of the government of the FPRY on the basis of this law.

##### Article 47.

Until the application of the law of the previous article, the government of the FPRY may introduce decrees, by order, about workers' councils and managing committees of higher economic associations, and the government of the FPRY and the governments of the people's

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republics will make decrees for the carrying out of this law.

Article 48.

It is compulsory to put this law into practice for economic concerns of social organisations as well.

The government of the FPRY may make exceptions for certain military economic concerns, where organs of the working co-operative for the direction of the concern are formed differently than is decreed by this law, regulating at the same time their sphere of action.

In concerns where there are not as yet any regulations the workers' council will stipulate the number of members of the managing committee.

Article 49.

The decrees of the basic law about state economic concerns and other decrees become invalid in so far as they are contrary to this law.

Article 50.

This law comes into action the eighth day after its announcement in the official gazette of the FPRY.

(Bobba-June 29)